

DISPOSITION AND DEVELOPMENT AGREEMENT

THIS Agreement (the "DDA") is made and entered into this 20th day of June, 2007, by and among the City of Las Vegas ("City"), a municipal corporation of the State of Nevada, the City of Las Vegas Redevelopment Agency ("RDA"), a Public Body, (collectively herein the "Sellers") and Alpha Omega Strategies, Inc., (herein the "Buyer"). Wherever the term "Buyer" is used herein, such term shall include any permitted nominee, assignee or successor in interest as herein provided, including any development entity controlled by the Buyer. Pursuant to Resolution RA-4-99 adopted by City Council and the governing board of the RDA effective October 1, 1999, the Buyer warrants that it has disclosed, on the form attached hereto as Exhibit "B", all members of Buyer holding more than a one percent (1%) ownership interest in Buyer.

RECITALS

WHEREAS, the City owns several parcels of vacant land consisting of approximately 3.39 acres located along Westmoreland and Laurelhurst adjacent to 1501 Decatur, Las Vegas, Nevada, 89108, and the RDA owns approximately 9.95 acres located at 1501 Decatur, Las Vegas, Nevada, 89108 (such City and RDA land referred to collectively herein as the "Property," a Site Plan of the Property being attached hereto as Exhibit "A" and the Property is further described as Assessor's Parcel Numbers 138-25-515-001, 138-25-516-001 and 138-25-503-006); and

WHEREAS, Sellers desire to sell to the Buyer, and the Buyer desires that it purchase from Sellers, the Property that is depicted in Exhibit A; and

WHEREAS, Sellers and Buyer mutually desire that the Property be developed with certain age-restricted low-income housing as described in this DDA; and

WHEREAS, the parties desire to set forth in this DDA the terms and conditions for the disposition and development of the Property;

NOW, THEREFORE, in consideration of the mutual covenants and conditions contained herein, the parties hereto do hereby agree as follows:

1. **PURCHASE AND SALE.** Buyer shall purchase all of Sellers' right, title and interest in and to the Property from Sellers.

(a) Sellers and Buyer agree that the development on the property will consist of **at least 600 age-restricted low-income housing units** and 50,000 sq. ft. of retail and office space to be built on the Property (such development referred to herein as the "Project"). Any and all development on the Property will conform to the procedures and limitations contained in zoning regulations and all applicable building and other codes as adopted by the City as presently in effect. Before commencement of construction or development of any buildings or other work of improvement related to the Project, the Buyer shall, at its own expense, secure or cause to be secured any and all permits and approvals that may be required by the City, any other governmental agency or any other party affected by such construction,

development or work. The low-income housing component of this project shall meet the State's definition of low income housing under N.R.S. 279.397.

(b) As part of the Buyer's efforts to promote diversity of contracting within the Las Vegas community, Buyer will require that its general contractor for the Project maintain a very focused outreach program for recruiting specially targeted population groups, including (i) advertising in local minority, small business, and trade association publications, (ii) holding outreach workshops for bidding the various components of the Project, and (iii) encouraging participation by all minority, women-owned, and disabled veteran businesses. In addition, Buyer will use commercially reasonable efforts to hire consultants of similar composition within the Las Vegas area to provide local firms with the opportunity for employment on the Project. This requirement shall survive the close of escrow herein and shall not merge into the deed conveying the Property to Buyer.

(c) The use by the City of low-income housing set aside money to acquire its portion of the Property, and the RDA contribution to the Project require that the Buyer obtain a "Public Works Identifying Number" (PWP Number) from the Office of the Labor Commissioner for the State of Nevada for any development on the property. The Property is being conveyed to Buyer in accordance with the RDA's powers pursuant to Nevada Revised Statutes (NRS) Chapter 279. Therefore, pursuant to NRS 279.500(2) the development of the entire Project by Buyer is subject to the provisions of NRS 338.010 to 338.090, inclusive, requiring the payment of prevailing wages, to the same extent as if the RDA had awarded the contract for the construction of the Project.

Due to the use of the of low-income housing set aside funds on this property the Buyer covenants and agrees for itself, its successors, assigns, and every successor in interest that during construction and thereafter, the Property shall be devoted only to low-income housing and for the retail facilities associated with the proposed low-income housing. The foregoing covenants shall run with the Property, and be binding on any successors in interest thereto, and are enforceable by Sellers.

(d) The Project will be developed within the time schedule set forth herein. Buyer agrees that, in all events, within six (6) months after the acquisition of the Property, the Buyer will commence construction and will complete such construction within thirty-six (36) months after commencement of construction. The commencement of construction shall be evidenced by the pouring of the foundation for the Project. Both commencement of construction and completion of construction will be extended by such additional time as corresponds to the extent of any delay that is caused by Force Majeure Delays. The term "Force Majeure Delays" shall mean delays caused by occurrences beyond the reasonable control and without the fault, negligence or financial inability of a party hereto or its contractors, including strikes, labor disputes, fire, earthquake, floods and other out of the ordinary actions of the elements, enemy invasion, acts of war, terrorism, bioterrorism, insurrection, sabotage, laws, orders or actions of governmental, civil or military authorities, governmental restrictions, riot, civil commotion, judicial or administrative proceedings commenced by persons not a party to this DDA and unavoidable casualty. If the performance of an obligation hereunder or under any other DDA or declaration, other than the payment of money, is expressly subject to the effect of Force Majeure Delay, then, unless otherwise provided herein or in such other DDA or declaration to the contrary, the effect of a Force Majeure Delay shall be to extend the time for performance of such obligation for the reasonable period of such Force Majeure Delay, but in no event greater than the period of the Force Majeure Delay. However in the event that the Buyer fails to meet any of the deadlines incorporated herein due to its own

negligence or the inability to acquire funding for this project it shall immediately trigger the RDA's rights under Section 15 of this contract.

(e) The Buyer will be responsible for the installation, at its expense, of all sidewalks and driveways and on-site utilities, sewer lines, and other on-site and required off-site improvements.

(f) The Buyer will also be responsible for the expense of relocating any utilities relative to any existing utility easements applicable to the Property.

(g) Buyer acknowledges the presence of two (2) buildings located on the Property that are currently scheduled for demolition. The City shall bare the cost of the demolition of these structures.

(h) For the purposes of assuring compliance with this DDA, and in addition to the normal City inspectors associated with construction in the City, representatives of the City and the RDA shall have the reasonable right of access to the Property and Project without charges or fees and at normal construction hours during the period of construction for the purposes of monitoring performance of this DDA, including, but not limited to, the inspection of the work being performed in constructing the improvements. Such representatives of RDA or the City shall be those who are so identified in writing by the Executive Director of RDA. RDA and the City shall defend (with counsel reasonably acceptable to Buyer) indemnify the Buyer and hold it harmless from any damage caused or liability arising out of this right to access. The foregoing indemnity is subject to the liability limitations of NRS 41.035.

(i) The Buyer agrees to indemnify, hold harmless and defend (with counsel acceptable to RDA) the RDA, the City, their affiliates, its and their officers, agents, servants and employees against and from any and all actual or threatened liabilities, claims, actions, damages, penalties, costs and expenses (including attorney's fees) and losses directly or indirectly arising out of or resulting from or relating in anyway to the development and/or operation of the Project excluding any actual liabilities resulting solely from the acts of the City, Agency or RDA.

(j) The Buyer shall not sell, transfer, exchange or deed to property to another entity without written approval from the Sellers. Any attempt to dispose of this property without the written consent of the Sellers shall constitute a breach of this DDA and trigger the Sellers' rights under section 15 of this DDA.

(k) Failure on the part of the Buyer, after acquisition of the Property, to comply with the provisions of this section shall constitute a default under this DDA. Sellers shall provide Buyer with written notice of default and allow Buyer thirty (30) days to cure said default, unless such default cannot reasonably be cured within such 30-day period, in which event Buyer shall not be in default hereunder so long as it commences to cure such failure and thereafter diligently attempts to cure such failure.

(l) Employment Plan. In accordance with the provisions of the RDA's employment plan policy adopted June 3, 1992, as amended June 6, 2001 relating to the Project, Buyer shall:

1. Provide the RDA with a list and amount of all contracts to be let for the construction of the Project.

2. Contact the City to identify the vendors in its minority vendor's directory.

3. Notify these vendors of all construction contracts to be let for the Project. A copy of this notification shall be submitted to the RDA.

4. Complete the Buyer's proposed employment plan, as required by NRS 279.482(2)DDA, which must be submitted to and approved by the Sellers prior to the close of escrow.

2. **PURCHASE PRICE.** The purchase price (herein "Purchase Price") to be paid for the Property shall be Six million five hundred thousand dollars (\$6,500,000.00), all cash. The Purchase Price should be paid as follows:

(a) Buyer has on November 9, 2005, deposited with the RDA, fifty thousand dollars (\$50,000.00) (Bayne/Miller Chk. # 1307) as earnest money. No later than the approval date of this DDA the Buyer shall deposit with the Sellers an additional \$275,000.00 to complete the 5% earnest money deposit for the acquisition of this property (said total amount of \$325,000 referred to herein as the "Deposit"). Such Deposit shall constitute the earnest money deposit for this DDA. Buyer reserves the right to cancel the escrow created herein, for any reason whatsoever, before the expiration of the Contingency Period, and in such case the DDA is terminated without liability to any party, except that the Buyer shall pay any required escrow fees and costs to such date, and such funds shall be retained from the Deposit with the remainder to be delivered to Buyer.

(b) Prior to close of escrow, Buyer shall deposit into escrow the balance of the Purchase Price, six million one hundred seventy-five thousand dollars (\$6,175,000.00), plus Buyer's share of the escrow fees and costs.

(c) In the event Buyer should terminate this DDA and escrow prior to the expiration of the Contingency Period, Buyer shall notify Sellers and Escrow Agent in writing. Upon receipt of Buyer's notice to terminate, the RDA shall release the Deposit to Buyer, less the costs and fees of the escrow to such date. If no written notice is received prior to the expiration of the Contingency Period, Buyer shall be deemed to have approved or waived any and all title exceptions and contingencies, and the Deposit shall be deemed non-refundable. The Deposit shall be applied towards the Purchase Price upon the closing of escrow. In the event the Buyer cannot close escrow due to any matter out of its control the Deposit shall be returned in full less any escrow fees and costs to such date. However if the escrow does not close due Buyer's negligence it shall forfeit the Deposit in full to the Sellers, less the escrow costs and fees.

3. **TITLE TO THE PROPERTY.** The title to the Property conveyed is to be subject to easements, rights of way, restrictions, conditions and covenants of record as shown on a current Preliminary Title Report ("PTR") with readable copies of all exceptions to title provided through escrow. Buyer shall have fifteen (15) business days following receipt of the PTR to approve the condition of title. If written disapproval is not received by Sellers and Escrow Agent within said period, Buyer shall be deemed to have accepted the condition of the title as set forth in the PTR. If Buyer submits a written objection ("Buyer's Objection") to the condition of title, Sellers shall make a good

faith effort to cure Buyer's Objection prior to the expiration of the Contingency Period, or, if Sellers elect to disregard or fail to cure Buyer's Objection, Buyer may terminate this DDA as Buyer's sole recourse, and the Deposit shall be returned to the Buyer, less escrow costs and fees to such date.

4. **TITLE INSURANCE.** Sellers agree to deliver, at their expense, good and merchantable title as evidenced by a CLTA policy of title insurance which insures that title to the Property is vested in the Buyer in the condition required by Section 5 of this DDA. Buyer, at its option and as its sole recourse against Sellers, may terminate this DDA, and the deposit, less escrow fees and costs, shall be returned if the Sellers fail to deliver good and merchantable title as herein provided.

5. **CONDITION OF TITLE.** The Sellers shall convey the Property free and clear of all liens, encumbrances, assessments, taxes and other defects except those acceptable to the Buyer. The Property shall be conveyed free of any possession or right of possession by any person except that of the Buyer, and those reflected in recorded easements affecting the Property as approved by the Buyer.

6. **INVESTIGATION OF PROPERTY.** Sellers hereby grant Buyer the right to inspect the Property to conduct such tests and investigations, at Buyer's sole expense, as Buyer deems appropriate, during the Contingency Period. Buyer agrees to indemnify and hold Sellers harmless from any actual damage as a result of Buyer's tests and investigations on the Property. Buyer further agrees to indemnify and hold Sellers harmless from any injury to persons or actual damage including any legal fees to the personal or real property of others, which results from the Buyer's tests and investigations. In the event Buyers desire to perform any tests on the Property which penetrate below the soil surface, Buyers shall provide either a performance bond or liability insurance policy to Sellers in the form approved by the City Attorney's Office, in the amount of \$1,000,000 to secure such indemnification to Sellers. If Buyer determines in its sole discretion that the condition of the Property is not acceptable for its purposes, Buyer may cancel this DDA during the Contingency Period by giving the Sellers and Escrow Agent written notice of such cancellation during the Contingency Period, and in such case the DDA shall be terminated and the Deposit returned to Buyer less any accrued escrow fees and costs. If Buyer does not terminate the DDA during the Contingency Period as herein provided, Buyer shall be deemed to have accepted the condition of the Property in its "as is, where is" condition, and shall not assert any claims against Sellers in the future for any conditions of the property, known or unknown.

7. **"AS IS" SALE.**

a. The Buyer acknowledges and agrees that the Property is to be sold and conveyed to and accepted by the Buyer pursuant to this DDA in an "as is" condition with, if any, all faults and defects. Except as otherwise specifically stated in this DDA, Sellers make no representations or warranties of any kind whatsoever, either expressed or implied, with respect to the Property or any of such related matters; in particular, but without limitation, Sellers make no representations or warranties with respect to the use, condition, title, occupation or management of the Property, compliance with applicable statutes, laws, codes, ordinances, regulations or requirements relating to leasing, zoning, subdividing, planning, building, fire, safety, health or environmental matters, compliance with covenants, conditions and restrictions (whether or not of record,) other local, municipal, regional, state or federal requirements, or other statutes, laws, codes, ordinances, regulations or requirements affecting

or relating to the Property. The Buyer acknowledges that notwithstanding any prior or contemporaneous oral or written representations, statements, documents or understandings, this DDA constitutes the entire understanding of the parties with respect to the subject matter hereof and the purchase and sale of the Property and supersedes any such prior or contemporaneous oral or written representations, statements, documents or understandings.

b. Release and Waiver.

Except as otherwise stated herein, the Buyer, for itself, its successor and assigns, and for each and every subsequent owner or Lessee of the Property (collectively the "Releasing Parties") hereby mutually releases, waives, remises, acquits and forever discharges all rights, causes of action and claims which Buyer has or may have in the future against Sellers, their officers, employees, agents, attorneys, representatives, legal successors and assigns, from any and all claims, suits, actions, causes of action, demands, rights, damages, costs, expenses, penalties, fines or compensation whatsoever, direct or indirect, which Buyer or any Releasing Party now has or which Buyer or any other Releasing Party may have in the future on account of or in any way arising out of or in connection with Hazardous Materials or violation of Environmental Laws arising out of or in connection with any other physical or environmental condition of the Property. The Buyer hereby agrees to hold harmless and indemnify Sellers from any claims, judgments, penalties, fines, losses, damages, expenses (including reasonable attorneys fees) against or incurred by Sellers after the conveyance of the Property to the Buyer arising in any way from (i) the presence of Hazardous Materials at, on, beneath or from the Property or (ii) the application of Environmental Laws to the Property. This provision shall survive closing and, when recorded, shall run with and bind the Property and any successors thereto, and shall not merge in the deed conveying the Property to Buyer.

c. Warranties.

Buyer agrees that Sellers are making no representations or warranties regarding the environmental condition of the Property.

d. Definitions.

1. As used in this DDA, the term "Hazardous Materials" means any substance, material or waste which is:
 - (1) defined as a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste" or "restricted Hazardous waste" under any provision of Nevada law;
 - (2) petroleum;
 - (3) asbestos;
 - (4) polychlorinated biphenyls;
 - (5) radioactive materials;

- (6) designated as a "hazardous substance" pursuant to Section 311 of the Clean Water Act, 33 U.S.C. Section 1251 et seq. (33U.S.C. Section 1321) or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. Section 1317);
 - (7) defined as a "hazardous substance" pursuant to the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (42 U.S.C. Section 6903); or
 - (8) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq. (42 U.S.C. Section 9601).
2. As used in this DDA, the term "Environmental Laws" shall mean any and all laws (whether common or statutory), compacts, treaties, conventions, rules, regulations, codes, plans, requirements, criteria, standards, orders, decrees, judgments, injunctions, notices or demand letters issued, promulgated or entered there under by any .federal, state or local governmental entity relating to public or employee health and safety, pollution or protection of the environment, including without limitation, the Comprehensive Environmental Response, Compensation and Liability Act, as amended by the Superfund Amendment and Reauthorization Act and otherwise ("CERCLA"), the Resource Conservation and Recovery Act ("RCRA"), the Federal Safe Drinking Water Act, the Federal Water Pollution Control Act, and any and all other federal, state and local laws, rules, regulations and orders relating to reclamation of land, wetlands and waterways or relating to use, storage, emissions, discharges, cleanup, releases or threatened releases of pollutants, contaminants, chemicals or industrial, toxic or Hazardous Materials on or into the workplace or the environment (including without limitation, ambient air ,oceans, waterways, wetlands, surface water, ground water (tributary and nontributary), land surface or subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation or handling of pollutants, contaminants, chemicals or industrial, toxic, hazardous or similar substances.

8. ESCROW.

The parties agree to open an escrow with Nevada Title Commercial Division, (the "Title Company"), 2500 N. Buffalo Suite 150, Las Vegas Nevada with Kristin Ravelo as escrow agent (the "Escrow Agent"), immediately after the effective date of this DDA. The escrow shall be deemed opened when Buyer and Sellers have executed and delivered a signed copy of this DDA and the Buyer's Deposit with the Escrow Agent. Said escrow shall be upon the usual form of instructions of the Escrow Agent for transactions of the type provided for herein, except that said instructions shall incorporate all terms and provisions of this DDA, and in addition shall provide the following:

(a) Close escrow within one hundred and eighty (180) days from the expiration of the Contingency Period. The Contingency Period commences the date following the opening of escrow and shall expire ninety (90) days from the date of approval of this DDA by the Las Vegas City Council and the RDA Board as set forth in Section 10 below. If the expiration date of the Contingency Period or the anticipated close of escrow date falls on a holiday or weekend, the date for the closing of escrow shall be set on the next succeeding working day.

(b) Promptly after the opening of escrow, cause to be procured and delivered for Buyer's approval the PTR and copies of related documents referred to in Section 3;

(c) Charge the Buyer any Documentary Transfer Tax and charge Sellers the cost of the CLTA title insurance policy and all endorsements thereto. All other fees and costs shall be divided at close of escrow in accordance with the usual practices in Clark County, Nevada pursuant to Section 11 herein;

(d) Disburse the funds and deliver the Grant, Bargain and Sale Deed and other documents to the parties entitled thereto when the conditions of this escrow have been fulfilled by the Buyer and Sellers;

(e) Record any instruments delivered through this escrow, if necessary or proper, to vest title in the Buyer in accordance with the terms of this DDA; and

(f) In the event of any conflict between the terms of this DDA and the terms of the escrow, the terms of this DDA shall prevail except where the escrow instructions specifically provide otherwise.

If escrow fails to timely close as the result of Buyer's default, the Deposit in escrow shall be retained by the Sellers as liquidated damages. If escrow fails to close as a result of Sellers' default, Buyer shall be entitled to seek specific performance and other legal and equitable remedies available to the Buyer herein, but Sellers shall be in no event subject to any liability for any other damages. The provisions of this paragraph shall be the sole remedies available to each respective party hereunder in the event of a default under this DDA prior to close of escrow.

9. **CONDITIONS PRECEDENT TO CLOSING.** The purchase of the Property is contingent upon fulfillment of the following conditions precedent:

(a) Buyer's approval of the PTR, and all documents described within the PTR, issued by Escrow Agent concerning the Property within fifteen (15) business days after Buyer's receipt of same from Escrow Agent, all pursuant to Section 3.

(b) The expiration or Buyer's written waiver of the Contingency Period as described herein. Escrow Agent shall notify both Buyer and Sellers in writing of the date escrow is opened, the date the Contingency Period expires, and the date escrow is to close.

(c) The Buyer shall complete the entitlement process for its proposed Project, which will include, without limitation, the rezoning of the Property, "General Plan Amendment", "Tentative Map" and "Property Development Plan." The City staff Expeditor will assist with the process to ensure that it is completed within the timeframe set forth in the DDA. The Buyer shall have a maximum of two hundred and seventy (270) days to complete this process from the approval date of this DDA, including the Contingency Period. The Buyer shall obtain all permits necessary for the commencement of construction prior to the close of escrow.

(d) The Buyer and City shall jointly work to resolve and/or remove, to the satisfaction of the Sellers and as necessary for the Project to be completed, the Mutual Parking Agreement dated October 17, 1963, recorded as Instrument No. 392752 in Book No. 487, Official Records, Clark County, Nevada. However, any costs incurred shall be borne solely by the Buyer. Buyer shall have the right to terminate the DDA and be entitled to return of Buyer's deposit in the event Buyer can not resolve the Mutual Parking Agreement dated October 17, 1963.

(e) The Buyer shall provide written evidence of complete project financing, which financing must be approved by Sellers prior to close of escrow, and such financing shall be closed in a simultaneous closing with the escrow required by this DDA and in a manner acceptable to Sellers.

(f) The employment plan must be completed, submitted to and approved by the Sellers prior to the close of escrow.

10. **TIME OF OFFER/CONDITION PRECEDENT.** Execution of this DDA by the Buyer and delivery thereof to the Sellers shall constitute an offer to purchase the Property under the terms and conditions set forth herein. This DDA does not become binding upon the Sellers until approved by the City Council and the RDA Board, and signed by the Mayor of the City of Las Vegas and the Chairman of the RDA Board. By executing this DDA and submitting it to the Sellers, the Buyer is making an irrevocable offer to enter into this DDA, which offer shall continue for the period of time necessary for the City Council and RDA Board to consider the same and thereafter to execute and deliver it to Buyer, or reject the offer and authorize the return of Buyer's Deposit.

11. **CLOSING COSTS AND FEES.** At the close of escrow:

- A) The Sellers shall pay for the cost of a CLTA owner's coverage of title insurance.
- B) All other normal costs and charges associated with the closing of this escrow shall be shared equally between Buyer and Sellers.
- C) Any unspecified cost shall be the responsibility of the party customarily bearing such costs in Clark County as such custom is declared by the Escrow Agent.
- D) All Closing Costs shall be paid at Close of Escrow.
- E) The Buyer is responsible for payment of the Real Estate Transfer Tax.

11.1 DISBURSEMENT OF FUNDS. Upon Close of Escrow, the Escrow Agent shall disburse to Sellers the Purchase Price less Sellers' share of costs of Escrow.

11.2 CLOSING STATEMENTS. Immediately after Close of Escrow, the Escrow Agent shall deliver to the Sellers and Buyer at the addresses provided in Section 16 a true, correct and complete copy of the Closing Statements, in form customarily prepared by the Escrow Agent.

12. **REPRESENTATIONS AND WARRANTIES BY THE SELLERS.** The Sellers hereby represent and warrant to the Buyer the following:

- A) As far as is known to Sellers, the Sellers own the Property subject to the easements and exceptions set forth in PTR, and have no knowledge of any unrecorded or undisclosed legal or equitable interest therein owned or claimed by any person, firm or corporation. The Sellers have taken no action prior to the execution of this DDA which would adversely affect title to the Property.
- B) This DDA and all documents executed by the Sellers which are to be delivered to the Buyer at the Close of Escrow are intended to be legal, valid, and binding obligations of the Sellers and are enforceable in accordance with their respective terms.
- C) The Sellers are not aware of any violation of any applicable laws, ordinances, rules, regulations, judgments, orders or covenants, conditions or restrictions, whether federal, state, local or private, with respect to the Property.
- D) As far as is known to Sellers, there are no existing actions, suits, proceedings, judgments, orders, decrees, arbitration awards, defaults, delinquencies or deficiencies pending or outstanding or threatened against the Property or Sellers, as relating to the Property.

12.1 **REPRESENTATIONS AND WARRANTIES OF THE BUYER.** The Buyer hereby represents and warrants to the Sellers that this DDA and all documents executed by the Buyer which are to be delivered to the Sellers at the Close of Escrow are intended to be legal, valid and binding upon the Buyer, and that Buyer has the ability to perform its obligations of this DDA as indicated herein.

12.2 **EFFECT OF REPRESENTATIONS AND WARRANTIES.** Each representation and warranty given above, respectively: (a) shall survive the Close of Escrow and not merge with the delivery of the Deed under this DDA, (b) is material and being relied upon by the other party, (c) is true in all respects as of the date hereof, and (d) shall be true in all respects as of the Opening and Close of Escrow.

13. **MORATORIUMS.** Should the Property come under a moratorium resolution or other similar action by a governmental agency or utility company which would normally provide services to the Property, all payments and conditions of performance referred to herein or referred to in any documents connected with this sale shall automatically be extended by the length of the period covered by such moratorium order.

14. **CONDEMNATION.** If, at or prior to the time of closing, the Property, or any portion thereof, shall be condemned or taken pursuant to any governmental power of eminent domain, Buyer

shall have the right to terminate this DDA and receive its Deposit, less escrow costs, or elect to proceed to closing with an equitable reduction in the Purchase Price for the portion of the Property condemned or to be taken at the per acre purchase price rate or at the condemnation value, whichever is higher, on account of such taking.

15. **RIGHT TO REPURCHASE, REENTER AND REPOSSESS** Sellers, their successors and/or assigns, shall have the additional right at their option to repurchase, reenter and take possession of the Property with all improvements thereon if, after conveyance of title to the Property and prior to the issuance of the Temporary Certificate of Occupancy therefore, the Buyer:

- (a) fails to proceed with construction of the improvements on the Property as required by this DDA for ninety (90) days after written notice thereof from Seller, their successors and/or assigns ("Notice of Construction Failure"); or
- (b) abandons or substantially suspends construction of improvements on the Property for a period of ninety (90) days after Notice of Construction Failure; or
- (c) transfers, or suffers any involuntary transfer of the Property or any part thereof in violation of this DDA, and such breach is not cured within thirty (30) days after the date written notice thereof from Sellers, their successors and/or assigns ("Notice of Unpermitted Transfer").

This option shall be subordinate and subject to and be limited by and shall not defeat, render invalid or limit:

- (x) any mortgage, deed of trust or other security instrument permitted by this DDA and approved in writing by the Sellers; or
- (y) any rights or interests provided in this DDA for the protection of the holder of such mortgages, deeds of trust or other security instruments which have been approved in writing by Sellers.

The right to repurchase, reenter and take possession shall be exercised, if at all, only by giving written notice of exercise no later than the times set forth herein.

The term of this right shall commence on the ninety-first (91st) day following the date of the Notice of Construction Failure, unless the Buyer commences or resumes construction as required by this DDA and proceeds with such construction to completion in the manner required by this DDA, within the ninety (90) day cure period, and the term of this right shall expire six (6) months after the Notice of Construction Failure. In the event the Buyer transfers, or suffers an involuntary transfer of the Property or any part thereof in violation of this DDA, the term of this right shall commence immediately on the thirty first (31st) day following the Notice of Unpermitted Transfer and shall expire one (1) year after the Notice of Unpermitted Transfer. Sellers, their successors and/or assigns, may rescind their election to exercise the right to repurchase, reenter and take possession of the Property by written notice to the Buyer at any time prior to expiration of such right.

To exercise the right to repurchase, reenter and take possession of the Property, Sellers, their successors and/or assigns, shall, within the terms provided in the preceding paragraph, provide written notice to the Buyer of its intent to exercise such right, as well as, pay the Buyer in cash an amount equal to:

(ww) the Purchase Price for the Property paid by the Buyer; less

(xx) any gains or income withdrawn or made by the Buyer from the Property or the improvements thereon; and less

(zz) the amount of liens on the Property, other than financing liens described in subparagraphs (x) and (y) above, and any unpaid assessments against the Property.

16. **NOTICES.** Any and all notices, demands, or other communication required or desired to be given hereunder shall be in writing and shall be validly given or made to another party if served either personally or by facsimile transmission, or if deposited in the United States mail certified or registered, postage prepaid, return receipt requested. If such notice, demand or other communication be serviced personally or by facsimile transmission, service shall be conclusively deemed made at the time of such personal service or transmission. The Notices shall be deemed received upon actual receipt. The Notices shall be directed to the parties at their respective address shown below, or such other address as either party may specify in writing to the other party in the manner described above:

SELLERS:

City of Las Vegas
Office of Business Development
400 Stewart Avenue, 2nd Floor
Las Vegas, Nevada 89101

City of Las Vegas Redevelopment Agency
400 Stewart Avenue, 2nd Floor
Las Vegas, Nevada 89101

COPY TO:

City of Las Vegas
City Attorney's Office
400 Stewart Avenue, 9th Floor
Las Vegas, Nevada 89101

BUYER:

Alpha Omega Strategies, Inc.
4908 Carmen Blvd.
Las Vegas, NV 89108

Any party hereto may change his address for the purpose of receiving notices, demands and other communications as herein provided by written notice given in the manner aforesaid to the other party or parties hereto. After opening of escrow a copy of all notices, demands and other communications shall be provided to the escrow office, in the same manner as to the Parties.

17. **APPLICABLE LAWS AND SEVERABILITY.** This DDA shall, in all respects, be governed by the laws of the State of Nevada applicable to agreements executed and to be wholly performed within the State of Nevada

18. **ENTIRE AGREEMENT.** The foregoing represents the entire agreement between the parties and no verbal statements made by any party are a part hereof unless incorporated in writing. In the event either party shall file any legal action with respect to this DDA, each party shall bear its own costs and attorney's fees.

19. **SUCCESSORS AND ASSIGNS.** All of the terms and provisions contained herein shall inure to the benefit of and shall be binding upon the parties hereto and their respective heirs, personal representatives, successors and assigns. However the Buyer shall not encumber, sell, transfer, exchange or deed the Property to another entity without written approval from the Sellers.

20. **ASSIGNMENT.** Neither party shall assign any of the rights nor delegate any of the duties under this DDA without the express written consent of the other party.

21. **MERGER OF PRIOR AGREEMENTS.** This DDA (including the exhibits hereto) constitutes the final and only agreement between the parties with respect to the purchase and sale of the Property and supersedes all prior and contemporaneous agreements and understandings between the parties hereto relating to the subject matter hereof.

22. **NO WAIVER.** No waiver of any of the provisions of this DDA shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the party making the waiver.

23. **COUNTERPARTS.** This DDA may be executed in multiple counterparts, each of which shall be deemed to be an original. One original will be filed with the City Clerk, one original will be delivered to Buyer, and one original will be delivered to Escrow Agent. This DDA may not be recorded in the Clark County Recorder's Office unless and until the close of escrow, at which time it shall be recorded by Escrow Agent.

24. **SURVIVAL.** The representations and warranties contained in this DDA, and the covenants that extend beyond the conveyance of title, shall survive the recordation of any deed and shall not be deemed merged into such deed.

25. TIME OF THE ESSENCE. Time is of the essence of this DDA and all terms, provisions, covenants and conditions hereof.

26. MODIFICATIONS OR AMENDMENTS. This DDA may not be amended or modified except by a written instrument executed by the parties hereto.

Upon approval of this DDA by the City Council and the RDA Board, and after it has been fully executed by signature of all parties, the Sellers designate the City's Director of the Office of Business Development who shall have the authority to complete and execute any additional documents necessary for the completion of the intent of this contractual obligation during the original term of this DDA (except the deed to convey the Property, which shall be executed by the Mayor of the City and the Chairperson of the RDA), such as amendments, escrow documents, adjustments to monetary expenditure not to exceed ten thousand (\$10,000.00) dollars, and the filing and recording of appropriate documents with the County Recorders Office or the County Tax Assessors Office.

IN WITNESS WHEREOF, the parties hereto have executed this Assignment as of the date first above written.

ATTEST:

CITY OF LAS VEGAS


Beverly K. Bridges, CMC City Clerk

By 
OSCAR B. GOODMAN, MAYOR

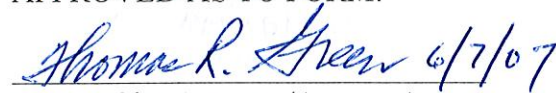
ATTEST:

CITY OF LAS VEGAS
REDEVELOPMENT AGENCY


Beverly K. Bridges, Secretary

By 
OSCAR B. GOODMAN, CHAIRMAN

APPROVED AS TO FORM:


Deputy City Attorney/Agency Attorney

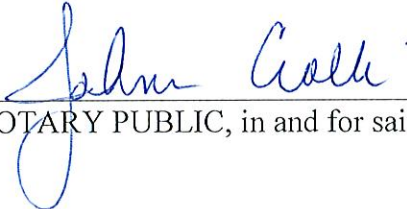
ALPHA OMEGA STRATEGIES, INC.

By 
MICHAEL J. McDONALD, PRESIDENT

ACKNOWLEDGMENT

STATE OF NEVADA)
)ss.
COUNTY OF CLARK)

On this 7 day of June, 2007, personally appeared before me, the undersigned a Notary Public in and for the County of Clark, State of Nevada, MICHAEL J. MCDONALD, who acknowledged that he/she executed the above instrument.




NOTARY PUBLIC, in and for said County and State



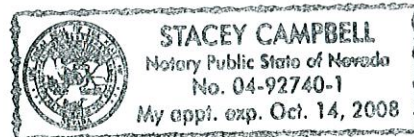
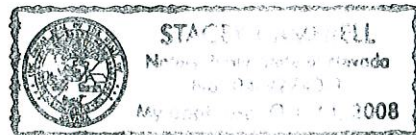
ACKNOWLEDGMENT

STATE OF NEVADA)
)ss.
COUNTY OF CLARK)

On this 25th day of June, 2007, personally appeared before me, the undersigned a Notary Public in and for the County of Clark, State of Nevada, OSCAR B. GOODMAN, who acknowledged that he/she executed the above instrument as the Mayor of the City of Las Vegas and as the Chairman of the City of Las Vegas Redevelopment Agency.



NOTARY PUBLIC, in and for said County and State



ESCROW AGENT'S RECEIPT OF DDA

THE UNDERSIGNED Escrow Agent acknowledges receipt of this DDA and agrees to act in accordance therewith and pursuant to other escrow instructions required by Escrow Agent.

DATED THIS ____ DAY OF _____, 2007.

By: _____
Title: _____

Exhibit A

Legend



City Owned 3.41 Acres



1501Decatur, RDA Owned



05/29/2007

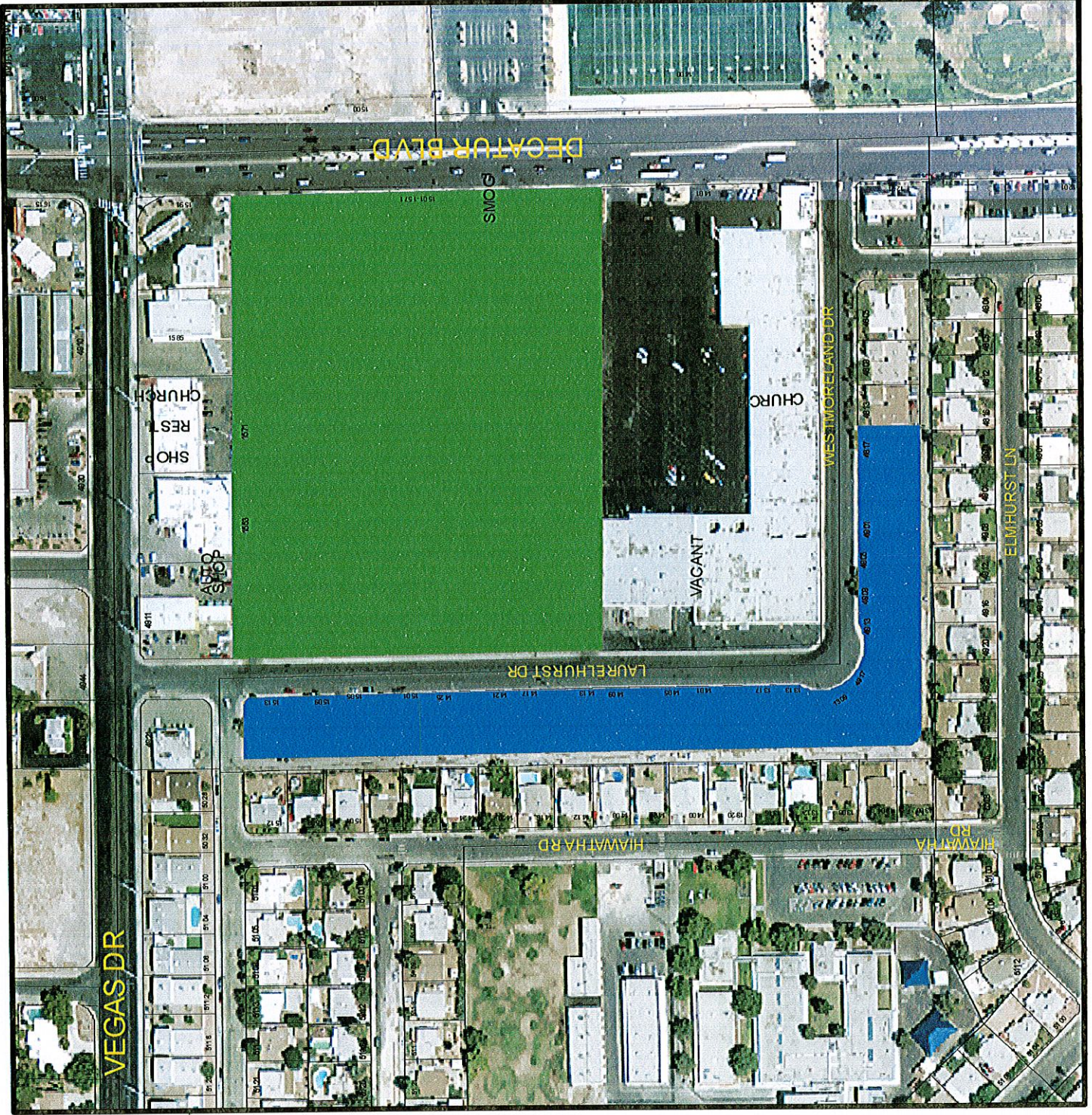


EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL A:

UNIT NO. ONE (1) AS THE SAME IS ESTABLISHED AND IDENTIFIED IN THE SUBDIVISION MAP FOR CONDOMINIUM PROPOSED OF DECATUR GARDENS, AS SHOWN BY MAP THEREOF ON FILE IN BOOK 12 ,PAGE 62 IN THE OFFICE OF THE COUNTY RECORDER OF CLARK COUNTY, NEVADA.

PARCEL B:

AN UNDIVIDED 1/16 INTEREST IN AND TO THE COMMON AREA OF THE ABOVE-DESCRIBED SUBDIVISION.

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL I:

LOT ONE (1) OF SHALIMAR GARDENS, AS SHOWN BY MAP THEREOF ON
FILE IN BOOK 29, OF PLATS, PAGE 21, IN THE OFFICE OF THE COUNTY
RECORDER OF CLARK COUNTY, NEVADA.

PARCEL II:

AN UNDIVIDED $1/64^{\text{TH}}$ INTEREST IN AND TO THE COMMON AREA AS SET
FORTH IN THIS CERTAIN COVENANTS, CONDITIONS AND RESTRICTIONS
RECORDED ON OCTOBER 24, 1983, AS DOCUMENT NO. 1782465 OF OFFICIAL
RECORDS.

EXHIBIT "A"
LEGAL DESCRIPTION

PARCEL I:

LOT ONE (1) OF SHALIMAR GARDENS, AS SHOWN BY MAP THEREOF ON
FILE IN BOOK 29, OF PLATS, PAGE 21, IN THE OFFICE OF THE COUNTY
RECORDER OF CLARK COUNTY, NEVADA.

PARCEL II:

AN UNDIVIDED 1/64TH INTEREST IN AND TO THE COMMON AREA AS SET
FORTH IN THIS CERTAIN COVENANTS, CONDITIONS AND RESTRICTIONS
RECORDED ON OCTOBER 24, 1983, AS DOCUMENT NO. 1782465 OF OFFICIAL
RECORDS.

EXHIBIT "A"
LEGAL DESCRIPTION

THAT PORTION OF THE NORTHEAST QUARTER (NE1/4) OF THE NORTHEAST QUARTER (NE1/4) OF SECTION 25, TOWNSHIP 20 SOUTH, RANGE 60 EAST, M.D.M IN THE CITY OF LAS VEGAS, COUNTY OF CLARK, STATE OF NEVADA, DECEDED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF SAID SECTION 25; THENCE SOUTH 00°42'34" EAST ALONG THE EAST LINE OF THE NORTHEAST QUARTER (NE1/4) THEREOF, A DISTANCE OF 190.00 FEET; THENCE NORTH 89°57'34" WEST A DISTANCE OF 70.00 FEET TO THE TRUE POINT OF BEGINNING; THENCE NORTH 89°57'34" WEST A DISTANCE OF 735.96 FEET; THENCE SOUTH 00°42'34" EAST; (00°41'40" M) A DISTANCE OF 591.00 FEET; THENCE SOUTH 89°57'34" EAST A DISTANCE OF 735.96 FEET; THENCE NORTH 00°42'34" WEST (00°41'40" M) A DISTANCE OF 591.00 FEET TO THE POINT OF BEGINNING.

EXHIBIT "B"

CERTIFICATE DISCLOSURE OF OWNERSHIP/PRINCIPALS

1. Definitions

"City" means the City of Las Vegas.

"City Council" means the governing body of the City of Las Vegas.

"Contracting Entity" means the individual, partnership, or corporation seeking to enter into a contract or agreement with the City of Las Vegas.

"Principal" means, for each type of business organization, the following: (a) sole proprietorship – the owner of the business; (b) corporation – the directors and officers of the corporation; but not any branch managers of offices which are a part of the corporation; (c) partnership – the general partner and limited partners; (d) limited liability company – the managing member as well as all the other members.

2. Policy

In accordance with Resolution 79-99 and 105-99 adopted by the City Council, Contracting Entities seeking to enter into certain contracts or agreements with the City of Las Vegas must disclose information regarding ownership interests and principals. Such disclosure generally is required in conjunction with a Request for Proposals (RFP). In other cases, such disclosure must be made prior to the execution of a contract or agreement.

3. Instructions

The disclosure required by the Resolutions referenced above shall be made through the completion and execution of this Certificate. The Contracting Entity shall complete Block 1, Block 2, and Block 3. The Contracting Entity shall complete either Block 4 or its alternate in Block 5. Specific information, which must be provided, is highlighted. An Officer or other official authorized to contractually bind the Contracting Entity shall sign and date the Certificate, and such signing shall be notarized.

4. Incorporation

This Certificate shall be incorporated into the resulting contract or agreement, if any, between the City and the Contracting Entity. Upon execution of such contract or agreement, the Contracting Entity is under a continuing obligation to notify the City in writing of any material changes to the information in this Certificate. This notification shall be made within fifteen (15) days of the change. Failure to notify the City of any material change may result, at the option of the City, in a default termination (in whole or in part) of the contract or agreement, and/or a withholding of payments due the Contracting Entity.

**CERTIFICATE – DISCLOSURE OF OWNERSHIP/PRINCIPALS
(CONTINUED)**

Block 1	<u>Contracting Entity</u>
Name Alpha Omega Strategies	
Address 4908 Carmen Blvd Las Vegas, NV 89108	
Telephone (702) 592-1990	
EIN or DUNS	

Block 2	<u>Description</u>
Subject Matter of Contract/Agreement: Disposition and Development Agreement	
RFP #:	

Block 3	Type of Business
<input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Limited Liability Company <input checked="" type="checkbox"/> Corporation	

Block 4	<u>Disclosure of Ownership and Principals</u>		
In the space below, the Contracting Entity must disclose all principals (including partners) of the Contracting Entity, as well as persons or entities holding more than one-percent (1%) ownership interest in the Contracting Entity.			
	FULL NAME/TITLE	BUSINESS ADDRESS	BUSINESS PHONE
1.	Michael J. McDonald President – Alpha Omega Strategies	4908 Carmen Blvd Las Vegas, NV 89108	702-592-1990
2.	Richard L. Henry Vice President – Alpha Omega Strategies	4908 Carmen Blvd Las Vegas, NV 89108	702-592-1990
3.	Bruce Bayne	851 S. Rampart, Suite 220 Las Vegas, NV 89145	702-933-1111
4.	Matthew Rexroad Metro Development Group, LLC	8100 W. Sahara Avenue Suite 200 Las Vegas, NV 89117	702-251-9214
5.			
6.			

The Contracting Entity shall continue the above list on a sheet of paper entitled "Disclosure of Principals – Continuation" until full and complete disclosure is made. If continuation sheets are attached, please indicate the number of sheets: _____

I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity.

Bruce Bayne

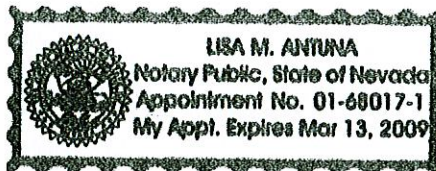
1 - B. Bayne
Name
6/6/07
Date

Subscribed and sworn to before me this 6
day of

June, 2007.

Lisa M. Antuna

Notary Public



Block 5 Disclosure of Ownership and Principals - Alternate

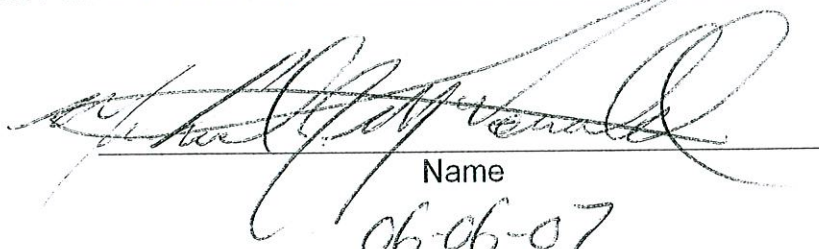
If the Contracting Entity, or its principals or partners, are required to provide disclosure (of persons or entities holding an ownership interest) under federal law (such as disclosure required by the Securities and Exchange Commission or the Employee Retirement Income Act), a copy of such disclosure may be attached to this Certificate in lieu of providing the information set forth in Block 4 above. A description of such disclosure documents must be included below.

Name of Attached Document: _____

Date of Attached Document: 6-6-07 Number of Pages: _____


I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity.

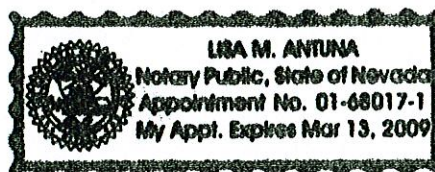
Michael J. McDonald


Name
06-06-07
Date

Subscribed and sworn to before me this 6
day of

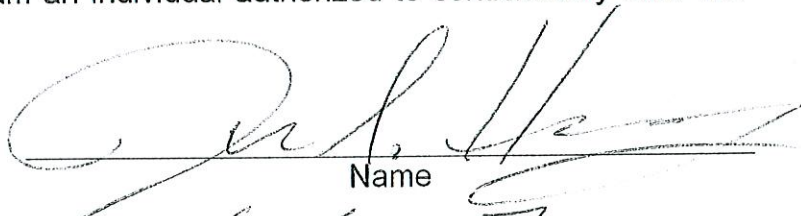
June, 2007.


Notary Public



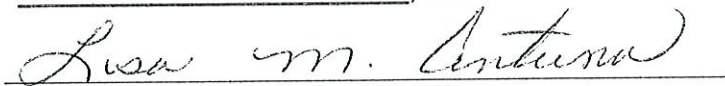
I certify, under penalty of perjury, that all the information provided in this Certificate is current, complete, and accurate. I further certify that I am an individual authorized to contractually bind the above named Contracting Entity.

Richard L. Henry


Name
6-6-07
Date

Subscribed and sworn to before me this 6
day of

June, 2007.


Notary Public



“EXHIBIT C”

Employment Plan

EMPLOYMENT PLAN FOR
ALPHA OMEGA STRATEGIES INC.
FOR THE _____

This Employment Plan of Alpha Omega Strategies, Inc., is prepared for its _____ project (the "Project") in accordance with § 279.482(2) of the Nevada Revised Statutes ("NRS") and the City of Las Vegas Redevelopment Agency Employment Plan Policy (hereinafter the "Policy") adopted June 6, 2001. This Employment Plan, which shall become effective as of the date an amendment to the Agreement (as defined below) substituting this Plan as Attachment "C" to the Agreement has been approved by the City Council of the City of Las Vegas and the City of Las Vegas Redevelopment Agency ("RDA"), (the "Effective Date"), outlines the steps to be taken by Alpha Omega Strategies to assist it in achieving compliance with the Policy. In accordance with the Policy, developers and build-to-suit owners which receive redevelopment project funds are encouraged to hire individuals who live within the area of the operations and are economically disadvantaged residents, physically handicapped, members of racial minorities, veterans, women, and/or the homeless.

THE EMPLOYMENT PLAN

This Employment Plan shall apply during the construction phase of the Project.

Description of the Facilities to be Constructed. The facilities to be constructed by Alpha Omega Strategies will consist of a complex of buildings. Please see Section 1. (a.) of that certain Disposition and Development Agreement dated _____ by and between Alpha Omega Strategies and the City of Las Vegas Redevelopment Agency and the City of Las Vegas (the "Agreement") for a complete description of the facilities constituting the Project.

1. Contracts for Construction of the Project. Alpha Omega Strategies will promote the utilization of women, minority, disabled, and veteran-owned business enterprises for the construction of the Project, as discussed more fully in Section 3 below.

2. Alpha Omega Strategies shall provide the Agency with a list and the amounts of all contracts to be let for the construction phase of the Project after the Effective Date. Alpha Omega Strategies, through its construction manager, will seek input regarding the bid estimates from various contractors and subcontractors, including minority, women, disabled, and veterans (“MWDV”) business firms. Bid documents for such contracts will then be completed and disseminated, using the City’s Minority Vendors Directory, as described below.

3. Manner of Involving MWDV Businesses. Alpha Omega Strategies hereby certifies that, for the construction of the Project, it shall use and instruct its project manager and construction manager to use the City’s Minority Vendors Directory to locate potential subcontractors. These entities shall notify qualified vendors identified in such directory of contracts to be let for construction, in sufficient time to allow effective participation by MWDV owned business firms. A copy of the notification shall be submitted to the Agency.

In addition to the above, Alpha Omega Strategies will perform the following tasks:

- (a) Advertise in the newspapers of general circulation, trade association papers and MWDV focused media concerning subcontracting opportunities, giving sufficient time to allow the opportunity for effective participation by MWDV owned businesses;
- (b) Contact and coordinate with the City’s Minority Business Officer and City of Las Vegas Redevelopment Agency (the “Redevelopment Agency”)

representatives to obtain lists and information concerning the City's certified MWDV owned business enterprises;

- (c) Utilize referral agencies such as MWDV community organizations, professional associations and small business assistance offices or other organizations that provide assistance in the recruitment and placement of MWDV business enterprises;
- (d) When appropriate, break down contracts into the smallest economically feasible units to facilitate and encourage participation by MWDV owned businesses to the maximum extent possible that will comply with Chapter 332 of the NRS;
- (e) Ensure access by interested MWDV owned business enterprises to plans and specifications and adequate information about the scope of services and other requirements;
- (f) Offer information to interested MWDV owned business firms regarding the obtaining of bonding, lines of credit and/or insurance;
- (g) Pursuant to the terms of the Employment Plan, Alpha Omega Strategies will submit quarterly reports to the Redevelopment Agency for the period through recordation of the final Certificate of Completion for construction of the Project, demonstrating its compliance with the requirements of the Employment Plan, Alpha Omega Strategies shall also send copies of the quarterly reports to the State of Nevada Legislative Counsel Bureau, and to the Office of the City Clerk who shall keep these copies on file. Alpha

Omega Strategies shall not charge for copies of the reports. The first report shall be distributed upon the Effective Date;

- (h) Alpha Omega Strategies will provide and dedicate a public announcement board in a public area of the Project; and
- (i) Alpha Omega Strategies shall advertise and solicit bids and accept qualified joint venture bids from local MWDV owned business firms and from joint ventures involving local and out of state MWDV owned business firms. Alpha Omega Strategies shall encourage joint ventures with MWDV owned business firms.